

# **ORDINANCE 1592**

## **AN ORDINANCE OF THE CITY OF NORTH BEND, WASHINGTON, INCREASING SEWER UTILITY RATES AND SEWER GENERAL FACILITY CHARGES AND AMENDING THE TAXES, RATES, AND FEES SCHEDULE**

**WHEREAS**, the City of North Bend (“City”) operates a sewer and stormwater utility as authorized by Chapter 35.67 RCW; and

**WHEREAS**, general facilities charges (“GFCs”) are collected by the City for each new Equivalent Residential Unit added to the sewer utility, and those GFCs are designated to pay for a proportionate share of the existing sewer infrastructure as well as a proportionate share of future capital projects over a five-year period; and

**WHEREAS**, the City’s existing sewer customers are responsible for paying for repairs to existing infrastructure within the sewer system; and

**WHEREAS**, the City Council adopted Ordinance 1084, the Taxes, Rates and Fees Schedule, effective November 2, 1999; and

**WHEREAS**, the Taxes, Rates and Fees Schedule, which includes sewer rates and GFCs, was last amended by Ordinance 1586, effective May 16, 2016; and

**WHEREAS**, the City last studied and adjusted sewer rates and GFCs in 2012; and

**WHEREAS**, the cost of operations to process sewer has increased at a rate equal to or higher than inflation; and

**WHEREAS**, numerous needs have been identified at the wastewater treatment plant (WWTP) in order to continue providing sewer service in the City; and

**WHEREAS**, the City contracted with Tetra Tech, Inc. to develop a Sewer Capital Facilities Plan, Sewer Comprehensive Plan, and Sewer Rate Study; and

**WHEREAS**, Tetra Tech, Inc. has identified approximately \$15 million worth of capital improvement projects at the WWTP to be accomplished within the next five years; and

**WHEREAS**, the City’s sewer rates and GFCs have been re-calculated to recover costs necessary to make improvements to repair those existing deficiencies identified during the planning process with Tetra Tech, Inc.; and

**WHEREAS**, the City Council desires to revise the sewer rate structure such that all classes of customers are subject to the same base rate and usage fees, except seniors, low-income, and those customers outside the City limits; and

**WHEREAS**, the City Council desires to revise the sewer rate structure to encourage water conservation practices by lowering the base fixed fee and raising the variable usage fee; and

**WHEREAS**, the City Council finds it appropriate to the amend Taxes, Rates and Fees Schedule to reflect increased costs associated with providing sewer services as well as sewer public facilities and infrastructure;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:**

**Section 1. Sewer Rates.** The Taxes, Rates, and Fees Schedule as adopted by Ordinance 1084 and last amended by Ordinance 1586, is amended in part by repealing Section 13.36, *Sewer Rates*, and replacing it with a new Section 13.36, *Sewer Rates*, to read as follows:

**13.36 Sewer Rates**

13.36.190 Sewer Permits – Application Fee, Review & Inspection \$50 plus actual cost for application review and installation inspection

|              |  |  |                         |                         |                         |                         |                         |
|--------------|--|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| 13.36.270(A) | DESCRIPTION  |  | TAX,<br>RATE,<br>OR FEE | TAX,<br>RATE,<br>OR FEE | TAX,<br>RATE,<br>OR FEE | TAX,<br>RATE,<br>OR FEE | TAX,<br>RATE,<br>OR FEE |
|              |  |  | Effective<br>9/1/2016   | Effective<br>1/1/2017   | Effective<br>1/1/2018   | Effective<br>1/1/2019   | Effective<br>1/1/2020   |
|              | Single-family<br>Residential<br>Units (inside<br>City limits)<br>including<br>duplexes,<br>triplexes,<br>apartment<br>houses,<br>condominiums,<br>trailer courts &<br>other<br>multifamily,<br>provided each<br>unit is supplied<br>with a separate<br>water meter |  | \$ 55.45                | \$ 62.49                | \$ 67.65                | \$ 73.23                | \$ 79.09                |
|              | PLUS   |  |                         |                         |                         |                         |                         |
|              | per cubic meter<br>of water usage  |  | \$ 5.54                 | \$ 6.24                 | \$ 6.75                 | \$ 7.31                 | \$ 7.89                 |

|              |   |                               |                               |                               |                               |                               |
|--------------|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| 13.36.270(B) | over the first <b>ten</b><br>CM   |                               |                               |                               |                               |                               |
|              | <b>Senior/Low<br/>Income Rate</b>   | \$ 25.43                      | \$ 28.66                      | \$ 31.02                      | \$ 33.58                      | \$ 36.27                      |
|              |   | <b>Effective<br/>9/1/2016</b> | <b>Effective<br/>1/1/2017</b> | <b>Effective<br/>1/1/2018</b> | <b>Effective<br/>1/1/2019</b> | <b>Effective<br/>1/1/2020</b> |
|              | <b>Multi-family<br/>Residential:</b><br>single family,<br>duplexes,<br>triplexes,<br>apartment<br>houses,<br>condominiums,<br>trailer courts &<br>other multi-<br>family<br>dwellings( <b>inside<br/>City limits</b> )<br><b>served jointly<br/>by one water<br/>meter, <u>per unit</u></b> | \$ 55.45                      | \$ 62.49                      | \$ 67.65                      | \$ 73.23                      | \$ 79.09                      |
|              | <b>PLUS</b>   |                               |                               |                               |                               |                               |
| 13.36.270(C) | per cubic meter<br>of water usage<br>over the first <b>ten</b><br>CM  | \$ 5.54                       | \$ 6.24                       | \$ 6.75                       | \$ 7.31                       | \$ 7.89                       |
|              |   | <b>Effective<br/>9/1/2016</b> | <b>Effective<br/>1/1/2017</b> | <b>Effective<br/>1/1/2018</b> | <b>Effective<br/>1/1/2019</b> | <b>Effective<br/>1/1/2020</b> |
|              | <b>Mixed Use</b><br>(residential/com<br>mercial) ( <b>inside<br/>City<br/>limits</b> ) <i>served by<br/>one water<br/>meter.</i>  |                               |                               |                               |                               |                               |
|              | One<br>Commercial<br>Base Charge  | \$ 55.45                      | \$ 62.49                      | \$ 67.65                      | \$ 73.23                      | \$ 79.09                      |
|              | <b>PLUS</b>   |                               |                               |                               |                               |                               |
| 13.36.270(D) | <b>MultiFamily<br/>Charge (per<br/><u>each Residential<br/>unit</u>)</b>  | \$ 55.45                      | \$ 62.49                      | \$ 67.65                      | \$ 73.23                      | \$ 79.09                      |
|              | <b>PLUS</b>   |                               |                               |                               |                               |                               |
|              | per cubic meter<br>of water usage<br>(at Commercial<br>Rate) over the<br>first <b>twenty</b> CM   | \$ 5.54                       | \$ 6.24                       | \$ 6.75                       | \$ 7.31                       | \$ 7.89                       |
|              |   | <b>Effective<br/>9/1/2016</b> | <b>Effective<br/>1/1/2017</b> | <b>Effective<br/>1/1/2018</b> | <b>Effective<br/>1/1/2019</b> | <b>Effective<br/>1/1/2020</b> |
|              |   |                               |                               |                               |                               |                               |

|              |   |  |                           |                           |                           |                           |                           |
|--------------|---|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| 13.36.270(E) | <b>Commercial and All Other Users (inside City limits)</b>  |  | \$ 55.45                  | \$ 62.49                  | \$ 67.65                  | \$ 73.23                  | \$ 79.09                  |
|              | <b>PLUS</b>   |  |                           |                           |                           |                           |                           |
|              | per cubic meter of water usage over the first <b>ten</b> CM |  | \$ 5.54                   | \$ 6.24                   | \$ 6.75                   | \$ 7.31                   | \$ 7.89                   |
|              |   |  | <b>Effective 9/1/2016</b> | <b>Effective 1/1/2017</b> | <b>Effective 1/1/2018</b> | <b>Effective 1/1/2019</b> | <b>Effective 1/1/2020</b> |
|              | <b>Commercial and All Other Users (outside City limits)</b> |  | \$ 83.17                  | \$ 93.73                  | \$ 101.46                 | \$ 109.83                 | \$ 118.62                 |
|              | <b>PLUS</b>   |  |                           |                           |                           |                           |                           |
|              | per cubic meter of water usage over the first <b>ten</b> CM |  | \$ 8.32                   | \$ 9.38                   | \$ 10.15                  | \$ 10.99                  | \$ 11.87                  |

13.36.270(F) If any user, by reason of the user's activities, in in two or more of the above classifications, the rate charged shall be the highest rate.

13.36.270(G) Sewer Charge – Independent Water Purveyor

13.36.270(H) Sewer Charge – Private Source

13.36.270(J) Sewer Service Surcharge 6% of Total Monthly Charges

The rates published are effective as of the dates noted; provided, that the last-effective published rates will be automatically increased/decreased based on CPI-W Index for Seattle/Tacoma area (August to August comparison) for each subsequent year beginning January 1, 2021. For the months of April through October, consumption amounts for sewer services will be based on the average water consumption during the months of November through March, so as not to penalize sewer customers using water for lawn and garden irrigation and other summer activities.

**Section 2. General Facilities Charges:** The Taxes, Rates and Fees Schedule as adopted by Ordinance 1084 and last amended by Ordinance 1586, is amended in part by repealing Section 13.38.040(A) and replacing it with a new Section 13.38.040(A) to read as follows:

|              |  |      |                    |                |
|--------------|--|------|--------------------|----------------|
| 13.38.040(A) | Effective 09/01/16*  |      |                    |                |
|              | Equivalent Residential Unit (ERU) Based on water meter size: | ERUs | Charge Non-ULID #6 | Charge ULID #6 |
|              | 5/8" or 3/4"   | 1    | \$ 10,222.00       | \$ 7,699.00    |

|        |     |               |               |
|--------|-----|---------------|---------------|
| 1"     | 2.5 | \$ 25,555.00  | \$ 19,247.50  |
| 1-1/2" | 5   | \$ 51,110.00  | \$ 38,495.00  |
| 2"     | 8   | \$ 81,776.00  | \$ 61,592.00  |
| 3"     | 16  | \$ 163,552.00 | \$ 123,184.00 |
| 4"     | 25  | \$ 255,550.00 | \$ 192,475.00 |

\*The charges in this table will be automatically increased each year on January 1st, compared to the prior year, by the percentage reflected in the Seattle ENR Construction Cost Index (CCI).

**Section 3. Severability:** Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

**Section 4. Effective Date:** This ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force on September 1, 2016.

**ADOPTED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 19<sup>TH</sup> DAY OF JULY, 2016.**

**CITY OF NORTH BEND:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Kenneth G. Hearing, Mayor

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Michael R. Kenyon, City Attorney

**ATTEST/AUTHENTICATED:**

Published: July 27, 2016  
Effective: September 1, 2016

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Susie Oppedal, City Clerk